



Billing Code: 4510-FN-P

DEPARTMENT OF LABOR

Employment and Training Administration

Large Residential Washers (LRWs)

AGENCY: Employment and Training Administration (ETA), Labor.

ACTION: Publication of summary of the Department of Labor's report on the investigation.

SUMMARY: Section 224(b) of the Trade Act of 1974 ("Trade Act") requires the United States Department of Labor ("Department") to publish in the **Federal Register** a summary of each report that it submits to the President under section 224(a) of the Trade Act. Set forth below is a summary of the report that the Department submitted to the President on December 19, 2017, on investigation No. TA-201-76, *Large Residential Washers*. The Department conducted the investigation under section 224(a) following notification by the International Trade Commission ("Commission"), as required by section 202(a)(3) of the Trade Act that a petition was filed alleging that LRWs are being imported into the United States in such increased quantities as to be a substantial cause of serious injury, or threat thereof, to the domestic industry producing an article like or directly competitive with the imported article.

DATES: December 19, 2017: Transmittal of the Department's report to the President.

ADDRESSES: United States Department of Labor, 200 Constitution Avenue, N.W., Washington, DC 20210. The public report may be viewed on the Department's website at <https://www.doleta.gov/tradeact>.

FOR FURTHER INFORMATION CONTACT: Norris Tyler, Administrator, Office of Trade Adjustment Assistance, Employment and Training Administration, U.S. Department of Labor, 200 Constitution Avenue, N.W., Washington, DC 20210;

Telephone: (202) 693-3560 (this is not a toll-free number). The media should contact Egan Reich, Office of Public Affairs, on (202) 693-4960, or reich.egan@dol.gov.

Congressional inquiries may be directed to Byron Anderson, Office of Congressional and Intergovernmental Affairs, on (202) 693-4600, or anderson.byron.e@dol.gov.

SUPPLEMENTARY INFORMATION: Pursuant to section 224(a), the Department will investigate: (1) the number of workers in the domestic industry producing the like or directly competitive article(s) who have been or are likely to be certified as eligible for adjustment assistance, and (2) the extent to which the adjustment of such workers to the import competition may be facilitated through the use of existing programs. The full text of the report will be posted on the Department's website at

<https://www.doleta.gov/tradeact>.

Procedural Summary: On October 5, 2017, the Commission issued an affirmative determination under Section 202(b)(1) of the Trade Act of 1974 in its safeguard investigation No. TA-201-76, *Large Residential Washers*. The Commission submitted a report to the President on December 4, 2017, which can be found on

<https://www.usitc.gov>. A summary was also published in the **Federal Register** (82 FR 58026 (December 08, 2017)).

Section 202(c)(1) of the Trade Act directs the Department to report to the President certain information whenever the Commission makes a finding under Section 202 of the Trade Act. The Department's report to the President studies the following:

- (1) The number of workers in the domestic industry for LRWs producing the like or directly competitive article who have been or are likely to be certified as eligible for adjustment assistance; and
- (2) The extent to which the adjustment of workers to the import competition may be facilitated through the use of existing programs.

Consistent with the statutory requirement, the focus of the Department's study is limited to potential future job losses related to increased imports on the domestic production of LRWs. Job losses in related domestic industries or upstream providers, if any, and consequences of potential remedies, such as foregone job growth due to less foreign direct investment are outside the scope of this report. Based on the Department's analysis, the current size of the U.S. domestic workforce responsible for the production of LRWs is approximately 4,000.

In the U.S. domestic industry, there are four companies which are currently employing workers: Whirlpool, Staber, Alliance, and General Electric. During the Commission's investigation, the petitioner (Whirlpool) maintained that in addition to tariffs, a quota on imported covered parts would be a strong final remedy that will ensure U.S. manufacturing jobs are protected. However, other interested stakeholders (LG and Samsung) suggest that among other things, the protection of U.S. jobs afforded by the tariff and quota may be offset in part by the loss of U.S. jobs that could result from higher consumer prices for LRWs and reduce overall consumer demand. We also note that Samsung and LG both have plans in the near future to open factories in the United States that would provide an estimated 1,600 new jobs in this industry. It is difficult to determine what the effect any remedies would have on long-run employment in this industry.

The Department's study on LRWs, as required under Section 224, found the following:

1. The Department received Trade Adjustment Assistance (TAA) petitions for four worker groups involved in the production of LRWs since January 2012. All four of those worker groups were certified as eligible to apply for TAA, resulting in an

estimated 183 workers eligible to apply for individual benefits under the TAA Program.

2. The Department estimates that 324 additional workers are likely to be covered by certified TAA petitions before the end of 2019.
3. Sufficient funding is available to provide TAA benefits and services to these workers. In Fiscal Year 2017, the Department provided \$391 million to states to provide training and other activities for TAA participants, as well as \$294 million in funding for Trade Readjustment Allowances, and \$31 million in Reemployment Trade Adjustment Assistance funds.
4. The Department believes that training and benefits under the Trade Act, other Department programs, and programs at other federal agencies are sufficient to assist workers in the LRWs industry to adjust to the trade impact.

As required by Section 224(f)(1) of the Trade Act of 1974 (19 U.S.C. § 2274(f)(1)), the Department must provide notice of an affirmative determination by the Commission and the identity of the affected firms to the Governor in each State in which one or more firms in the affected industry are located. The Department must also notify representatives of the domestic industry, firms identified by name during the proceedings, and any recognized worker representatives of the benefits available under the TAA program, the manner in which to file a petition to apply for such benefits, and the availability of assistance in filing TAA petitions.

Finally, once the Commission's findings and the Department's report are provided to the President, the President may impose relief in the form of increased duties and/or other restrictions on imports of LRWs under Section 203 of the Trade Act (19 U.S.C. § 2253).

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